From: Elliot Scott

To: Microsoft ATR

Date: 1/26/02 11:56am

Subject: Microsoft Settlement

In relation with the current matter:

I have a number of questions and comments about the proposed Technical Committee (TC) and the Internal Compliance Officer that is mentioned in the proposed final judgment for the United States v. Microsoft Corporation case. These questions concern the qualifications and responsibilities of the TC as mentioned in Section VI dealing with the compliance and enforcement procedures.

The requirement of not allowing the any member having worked with Microsoft or its competitors no longer than a year ago does not appear to be logical for the first members of the TC. This is because the complaints occurred during 1998 concerning activities of the Defendant in 1996. While I do not expect the requirements to force the TC members to not have any history with Microsoft and/ or its competitors for the last 5 years, I would believe that a revision to the judgment to consider a background check to more carefully choose candidates that are not involved with Microsoft and/or its competitors for a minimum of two to three years. Such a revision to the final judgment would allow the members of the TC to provide a more unbiased perspective of the Plaintiff during his/her term of stay.

The TC should also be required to take notice of all activities and provide a report of findings and information to be stored in a secure location of the member1s discretion. While this can be assumed as part of the judgment, it was not stated in the proposal. By adding a responsibility to loosely monitor the Compliance Officer and its staff, if any exist, and write a history report of complaints filed by logs of the website the Compliance Officer is to create. This log history report should also include a monthly to yearly review of the compliance officer that is appointed by the Plaintiff who monitors all complaints filed either by the website or through other sources. This would provide a balance of power between the responsibilities of the TC and those of the Compliance Officer. This would provide a greater margin of safety from possible mismanagement of the Compliance Officer.

Under Section V.B concerning extension of the final judgment due to systematic violations, the extension should not be limited to one-time extension of two years with possible relief. If it is proven that the Plaintiff has digressed from the judgment, the Plaintiff should be required to continue for an extension of up to three years with necessary relief, with the possibility of a following two year extension with possible relief afterwards if digression continues. This suggestion reflects the fact the Plaintiff practiced anti-trust activities for a period of several years against a number of competitors. Modifications of the final judgment may be necessary in order to stay up to date with the times.

Sincerely, Elliot Scott